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Recommended Citation

University of Dayton, "UD Student Investors Beat S&P 500 Benchmark, Finish Sixth in Annual Portfolio Competition" (2001). *News Releases*. 10451.

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Feb. 7, 2001
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NEWS RELEASE

UD STUDENT INVESTORS BEAT S&P 500 BENCHMARK, FINISH SIXTH IN ANNUAL PORTFOLIO COMPETITION

DAYTON, Ohio —In a year filled with wild and unpredictable stock market activity, the University of Dayton's team of undergraduate student investors beat their professional benchmark and nine of their competitors in the latest annual investment contest sponsored by Oak Associates of Akron.

The UD team finished sixth with its Flyer Growth Fund, a portfolio managed for growth and income, posting a loss for the year of 7.75 percent. They outpaced the Standard & Poor 500 performance by 1.25 percent. Year-end figures show the portfolio at \$100,437, and the students received a \$5,000 award for their performance.

Case Western University, with its value-oriented fund, took the top spot in the Feb. 5 competition, posting a 44.5 percent gain. Only three of the 16 teams, including Indiana State University with 27.55 percent and the University of Memphis with 18 percent, finished with gains for the year.

Rounding out the top six were Wittenberg University with a 0.21 percent loss and Duquesne University with a 7.5 percent loss.

Students will have another chance to pit their results against others when the University of Dayton hosts the "Redefining Investment Strategy Education" symposium April 6-8. The national student investment strategy symposium will feature a student portfolio management competition as well as five nationally known keynote speakers and break-out sessions on

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specialized topics including best practices in investment-management education.

Unlike the Oak Associates contest, the RISE competition will include separate categories for growth, value and blend styles of portfolio management. The top five in each category will be identified.

"We did very well in the Oak Associates competition," said David Sauer, associate professor of finance who leads the investment curriculum and the senior-level investment seminar for undergraduate students. "The teams that pursued concentrations in technology stocks were hurt in their performance, and eight of the teams had losses of 30 percent or more for the year."

Undergraduate investors at UD operate Flyer Investments out of the Center for Portfolio Management and Security Analysis, located in the School of Business Administration and dedicated in December 1999. Created as part of the \$8.9 million renovation of Miriam Hall, it serves as a hands-on laboratory and features sophisticated investment management tools and materials. The students invest two portfolios — the Flyer Growth Fund and the Flyer VI2P Fund, which students manage with an eye toward attaining growth at a reasonable price as well as relative value. It ended the year with \$771,231, down 3.92 percent.

Students follow the same guidelines as professional management firms that handle UD portfolios.

"It's been a roller-coaster year on the market, which made the class a tremendous learning experience," said Steve Bernhardt, a student portfolio manager and senior finance major. "Unlike the past few years of positive market performance, one pick could make or break our returns. I'm very proud of our performance."

Oak Associates is an investment management firm that started its competition among student investors at colleges and universities in 1997. It is one of 15 firms that manage UD investments, and most of the schools in the competition are clients of the firm.